

**TOWN OF ROCKY HILL
REDEVELOPMENT AGENCY
MEETING OF FEBRUARY 11, 2014**

1. CALL TO ORDER

Chairman Don Francis called the February 11, 2014 meeting of the Redevelopment Agency to order at 7:10 p.m. in the Council Chambers of Rocky Hill Town Hall, 761 Old Main Street, Rocky Hill, CT.

Those in attendance: James Ussery (Vice Chairman), Tom Beaudoin and Robert Britt. Also present: Ray Carpentino (Economic Development Director), Richard Vicino (Vicino Construction Services), Dave Drury (*Hartford Courant*) and Christa & Sophie Mariner (Residents of R.H.).

Those absent: Patrick Dawson and Albert Levesque.

Chairman Don Francis said he hadn't heard from Patrick Dawson or Albert Levesque and he asked Ray Carpentino if he had. Ray Carpentino said he hadn't heard from them either.

2. INTRODUCTION OF MEMBERS

There was no introduction of the members at this time.

3. PUBLIC COMMENT

Chairman Don Francis asked if anyone from the public wished to speak at this time. There was no one from the public who wished to speak.

4. DISCUSSION/ACTION

a. Town Center West : Update: Richard Vicino

Chairman Don Francis said Richard Vicino, the developer for Town Center West, was present this evening and he was going to give them an update for his plan for Town Center West. Richard Vicino, 2360 Main Street, R.H., passed out a copy of the overall site development-mixed use concept plan to all of the members of the Redevelopment Agency. (Please see the First Attachment.) He said he was going to start off by getting into the Department of Transportation (DOT) issues. These issues had started in January 2013. The DOT had been presented with all of the issues that they felt were necessary, as well as with all of the traffic counts. He thought his Civil Engineer and his Traffic Engineer had worked through June 2013 until they had gotten called in for a meeting with the DOT. Richard Vicino said he had attended that meeting with a Staff of twelve (from the DOT). The process is different now and the Office

of State Traffic Administration is used. There are twelve Staff people now instead of a Commissioner. The different individuals on the Staff are dealt with in order to come up with their comments about the plan and so that they can try to work through all of the issues before they can go for an actual Certificate. Everything was critiqued at that meeting. He said his Engineers then went back to respond with their comments. He said they ended up giving them strange things and his Engineers couldn't understand why they were doing them. They had to measure the width of Cromwell Avenue, as well as the length of it, and where all of the turning lanes are. They thought this was information that the DOT had already but they didn't obviously so he said they had to spend their dollars to do all of this "chasing around". They had a Police Officer from the RHPD for three days guarding the surveyors who were up and down Cromwell Avenue. He said the DOT also sent them down to I-91 to check a 60" pipe that has nothing to do with the project but they wanted to know how big it is and what condition it is in so he said that they measured that, etc. The DOT also wanted them to measure all of the exit ramps to confirm their length and their size. He said this was a very expensive and grueling process.

Richard Vicino said they then got to a point where they were conflicted with regards to their entrance on West Street because there is a short queue line and the DOT wants two left hand turn lanes there. He said in order to deal with that issue that it would require some widening of West Street where there is a very steep bank and this would be almost impossible to do. He said another issue is on Cromwell Avenue where the DOT wants the turning lane coming into the project and they want the road widened for the turning lane. This would be right in front of the Mobil gas station. He said that he doesn't own that land and rights would have to be acquired from the Mobil gas station. The Mobil gas station's first active gas pump would be taken out if the rights were acquired to widen the road. He said this wouldn't work so they went back and told the DOT that these difficulties were hard to resolve. He thinks the last meeting with the DOT was held in December 2013 and he was told to come back with some kind of a different scenario. This project was started in 2011 he believes but then he said as some of these things are coming to fruition that they probably had actually started this project in 2009. He said this has changed dramatically as this is fast forwarded to today's economic side of retail development. This has changed to a point where a lot of people are buying things online at Amazon and big box stores are getting smaller. The location of these stores is already designated in areas around them now so he said there would be very little opportunity for a new anchor (store). He referred to the new trend which he told the members of this Agency that he just gave them a copy of. This site is mixed use. He can use anything under the Mixed Use Statute in the Zoning Regulations except for a half dozen items that are excluded in his contract (i.e. dollar stores, etc.) and he said they wouldn't want these on this site anyway. There can be some residential component to this site though in order to enhance it so that there will always be activity on it.

Richard Vicino said that he would refer to a couple of sites to demonstrate what this will do for a site like Town Center West. He mentioned how Blue Back Square (West Hartford) had come in with residential, retail and office when it had originated. This is considered a premiere development and it has been very successful. He then mentioned how Evergreen Walk, in South Windsor, had gone in with just retail and then Highland Park Market went in there as the anchor in 2010. They had gone in there with the promise that there was going to be some residential because it is hard to get drive-bys or people coming in if there isn't residential there that would

be going to buy the products. Highland Park Market then moved out. They had the right to do this under their contract because they didn't get the residential component that there was supposed to be. He said a residential component is being built now to save the rest of the retailers. He thinks there will be two hundred units of apartments and one hundred units in a hotel. He then said that Front Street (Hartford) has the same scenario. That project keeps starting and stopping. It does have a couple of retailers but they are building two hundred units of apartments in order to get the retailers they are looking for. Those had originally been in the project and there would have been more support for the retail if those had been built first.

Richard Vicino said on January 17, 2014, the Town of Glastonbury had passed a Zoning Regulation, which is called Town Center Zone. This will allow them to have apartments put in the retail section of downtown Glastonbury. This will be happening very soon and he told everyone that they will probably see something in the newspaper over the next thirty to sixty days about this. There will be a constant flow of people in that area by having residential mixed in with retail.

Richard Vicino said this also will tremendously drop the traffic count, especially on West Street, (for the Town Center West project). This is a key issue and a problematic situation for them. He said they can't do what DOT wants them to do on West Street because it is cost prohibitive. This scenario will be changed by them bringing a mix of residential and a mix of retail in. Most of the residential will use that access which will be way lower in a traffic count than any retail would be. They will have to move the entrance driveway on Cromwell Avenue so that they will have enough room on their property to cut the turning lane in so that they can into the site because this can't be done in front of the Mobil gas station. He said they made these kinds of fixes that they will have to go back to the DOT with. He said after meeting with this Redevelopment Agency that they need to go to the Planning and Zoning Commission to define the mixed use and get it approved by that Commission. They will then go back to the DOT. They are in the queue already for the DOT. They have explained to the DOT that they are on hold until they get the fixes done which will really reduce the traffic count. He said they are going to look for a mixed use site of retail and residential going forward. The apartments in a retail setting like this will cost a little more and it will fit a certain demographics. This will usually be young professionals or retired people who want to be close to a center and who don't want to be driving a car all of the time. He said this is their effort to have this project brought to fruition. He said it sounds like they have been working on this for a long time but he is seeing the vision of them breaking ground in late spring of this year if they can get through the Planning and Zoning Commission.

Chairman Don Francis referred to the modifications that Richard Vicino was talking about with regards to changing from a hotel to apartments and he asked if this all fits in with the plan that had been adopted and approved by this Redevelopment Agency. Richard Vicino said that is correct. He explained that mixed use has a category under the Zoning Regulations. He said there are exclusions in the mixed use in his contract but these all deal with retail operations that no one would want in their retail lifestyle center anyhow. His development will be a mixed use one and this had been approved by the Redevelopment Agency. He said they are staying in the category that they were approved for and they aren't varying off of that. This will be balanced off better with them downsizing a little bit of the retail and by them picking the residential up.

Robert Britt referred to the two larger retail buildings and he asked Richard Vicino how many tenants he is foreseeing in each of the buildings. Richard Vicino asked Robert Britt if he was looking at the building to the north and the building to the south. Robert Britt said yes and he mentioned the building on the west side of the property. Richard Vicino said if they are coming in the driveway that the front building is going to be a restaurant. Robert Britt asked about the two bigger buildings to the east and northeast of that. Richard Vicino said they already have letters of intent for probably six locations there that will add up to between 12,000 square feet to 15,000 square feet. Robert Britt asked if there will be six in that particular building. Richard Vicino said that is correct. Robert Britt said they could figure six tenants maximum per building. Richard Vicino said roughly. Richard Vicino then referred to the difference by having this approach. He explained that finance is normally extremely difficult unless they have an anchor but all of the smaller stores will now become their own anchor. This will be a mixed use project so they won't need a big store. He gave an example of how they often get letters of intent stating that they want to see who the anchor is going to be. It is hard to get an anchor because years ago this used to be a store like Macy's and JC Penney but they don't do this anymore. He then referred to how there is Kohl's and Aldi's in Rocky Hill but there is nothing else there at that particular site. He said that life would be given to something if there were smaller stores mixed with a lifestyle center where there is a place of destination and where there would be the mix of the residential where people are constantly working throughout the facility. He mentioned how Kohl's also opened a store in Berlin because they are so successful but he said it is sad that the site for Kohl's and Aldi's in Rocky Hill only has two facilities on it. He said as far as he is concerned that this is not a good main street mix for Rocky Hill. For Town Center West, they are trying to create something with smaller stores where people can come and have many things to do there. This would be similar to Somerset Square (Glastonbury). He explained that this would work and a big anchor wouldn't be needed. The land is very expensive and it would be very difficult to have all of this down for retail use without a powerful anchor. He explained too how people nowadays order things online in today's economic times.

Robert Britt referred to the wetlands on this site and how they are close to West Street. Richard Vicino said there will be a reduced impact on the wetlands. He explained some more and said there will be the same square footage for their footprint but there will be more grass and less of a parking lot. The original plan had a "sea of parking lots" and the amount of the parking lots will be decreased now. They are going to keep the walking bath, the bike trails and there will probably be more activity with residential people there. This plan will significantly lower the amount of traffic and the impact on the environmental side but this will give the project "a leg up" to move forward.

Chairman Don Francis told Richard Vicino that he had indicated how the apartments would be high end and he asked him what the approximate rent will be. Richard Vicino said when they build in this type of a scenario that they will have to integrate the look with the center so there will be real brick on portions of the buildings. The construction costs will be a little bit higher and the land costs a little more. Triple pane windows will need to be put in because they will be near a highway and those windows cost more. The rent for a one bedroom apartment will probably be approximately \$1,400 and the rent for a two bedroom apartment will probably be around \$1,800 to \$1,850. Things are separate on meters today. He said these apartments are going to be high end and they are going to be fairly expensive. He mentioned again about how a

certain demographic will like something nice, will like the high end and they will be able to afford to spend the money. He explained some more. He referred to the apartments on Brook Street and he said this is what they have ended up capturing. The rents there start at \$1,350 for a one bedroom apartment and \$1,750 for a two bedroom apartment. The cost for a two bedroom apartment will be approximately \$1,900 per month by the time utilities are paid. The people renting the apartments are young professionals and then there are some retirees.

Tom Beaudoin asked Richard Vicino how many residential units he is looking to put in. Richard Vicino said one hundred and forty-four. Tom Beaudoin asked how many square feet a one bedroom apartment will be. Richard Vicino said this will be approximately 750 square feet. Tom Beaudoin asked if it will be approximately one thousand square feet for a two bedroom apartment. Richard Vicino said it will be approximately 1,100 square feet. Tom Beaudoin asked Richard Vicino if he will be going any bigger with suites, etc. Richard Vicino said no. These really won't be family oriented because there won't be elevators. The first floors will be handicap accessible and then there will be the second and third floors.

Tom Beaudoin asked Richard Vicino how many retail spaces there will be. Richard Vicino said this won't be by spaces but it will be by square feet. Tom Beaudoin asked how many square feet. Richard Vicino said about half of these will be 75,000 square feet. Tom Beaudoin asked how many buildings there will be. Richard Vicino said there will be four buildings. He referred to the two back buildings and he said those will have mezzanines in them. The footprint of those will be smaller but they will have the ability to have a mezzanine in them. This is based on the building code. He explained some more. They are going to start looking at "greening" things up. There will be electric car chargers on the retail side and they are going to see wherever they can put solar energy in so that they can get the givebacks from the energy companies if solar panels are used. There are great programs out there that are very successful now. The apartment complex on Brook Street has solar panels on the carports and this will power the whole clubhouse. Chairman Don Francis asked if there have been any complaints on Brook Street. Richard Vicino said no. He mentioned that the project on Brook Street is a unique one. There is an architectural feature when people come in the main entrance. He met the individual who did this artwork and signed it. This is a very expensive feature. There are also electric car chargers and a dog washing station. They have things that the young professionals are looking to use today.

Chairman Don Francis asked the members of the Redevelopment Agency if they had any more comments. The members had none. Chairman Don Francis asked the members if they are satisfied with the progress of this and that they are moving forward on it. Tom Beaudoin wished Richard Vicino the best of luck and told him that he hopes this will be speedier instead of "at the snail's pace". Tom Beaudoin told Richard Vicino that he remembers him presenting his plan one year ago and he thinks this will be a positive step forward for this Town.

Chairman Don Francis thanked Richard Vicino. Richard Vicino thanked the Redevelopment Agency. He said that he appreciated this very much and that hopefully they will get this wrapped up by the spring. Chairman Don Francis told Richard Vicino that he is moving forward with the DOT. Richard Vicino said they are constantly on with the DOT. They already have the

documents showing that they are reducing what they want them to reduce so he said they are in pretty good shape with the DOT.

b. Ames property

Chairman Don Francis said they could find out about the Ames property once Ray Carpentino came back into the room because he had stepped out quickly. Ray Carpentino reentered the room at this point. He said there has been no action on this. Vice Chairman James Ussery confirmed that there hasn't been any action on this. Ray Carpentino said the owner had gone out during December 2013 to get some price quotes for the demolition of the building. He said the owner got back to him approximately two weeks ago indicating that the cost of demolition and the resulting property taxes were too high for him to go through with any demolition so he is going to continue to market the property. Vice Chairman James Ussery asked if the Town is proceeding with taking this over. Ray Carpentino said the Town can't take it over. Vice Chairman James Ussery asked why. Ray Carpentino said the owner is current on his property tax bills and he is addressing any types of complaints there are (i.e. broken windows, etc.). He said the owner had been approached about the possibility of approaching the property as a rehabilitation area as opposed to a redevelopment one. Under State Statutes, a rehabilitation area will allow much more extensive tax benefits to a developer. The process would be that the Town would work with the owner to come up with a conceptual development plan that would be acceptable to both the developer and the Town. They could go out for a proposal to look for a developer in a preferred developer process. The owner wants \$5,000,000 to \$6,000,000. He explained that it might make it more attractive for someone to come in to buy this and develop it if they can state in the proposal that the Town has designated this as a rehabilitation area. This will open this up to Connecticut General Statutes that allow extensive tax breaks during construction, as well as after construction. He thinks that this will sit there for a long time otherwise.

Robert Britt asked if this building is still going to be torn down if this isn't going to a redevelopment property. Ray Carpentino said no. The owner had asked him what the property taxes would be on the property with the building being demolished. It would be too high for the owner to pay those taxes and to demolish the building. They had gotten some rough estimates of \$1,000,000 to \$1,500,000 a few years back with regards to having the building demolished and the site prepared for development. Robert Britt said this is a horrible structure. Ray Carpentino agreed. The actual layout is obsolete and the interior is gutted. Vice Chairman James Ussery said this really has to come down. Ray Carpentino said it does. The owner had wanted to know if the Town was interested in buying this. Tom Beaudoin asked what they were asking for it. Ray Carpentino said this was between \$5,500,000 and \$7,000,000. Chairman Don Francis said this would be until they got an offer. Ray Carpentino said there is no real set price right now.

Robert Britt referred to the rehab component. He asked if there would be any tax breaks or if there would be any tax breaks for demolition. Ray Carpentino said yes. Robert Britt asked if the owner isn't interested from that perspective. Ray Carpentino said this would have to be designated as a rehabilitation area and all the owner has to do would be to agree. It would then be up to the Town at that point to determine if they wanted to be a partner with the owner or if they would prefer to go out to find a developer to redevelop the site. Robert Britt asked who

would pay for the cost of the demolition if this is a rehab property. Ray Carpentino said this would be the purchaser (the developer). This will basically allow an eleven year tax abatement.

Tom Beaudoin asked if the owner is receptive and if he is open to conversation or if he is standoffish. Ray Carpentino said he and the owner talk. He said that he went down to New Haven to one of the owner's sites a few years back to see what he was doing. He thinks the owner would like to talk now. He mentioned about the owner agreeing on the rehabilitation process and he said that he seemed receptive about this last month as long as he doesn't have to do a lot of things. He said that the owner basically doesn't even have to agree to this because the Town could say that they are considering this a rehabilitation area based on these conditions. The Town Council does this and not the Redevelopment Agency. He told them that this is similar to what they had done in 2008 but this will be called rehab instead of redevelopment. Tom Beaudoin asked what the holdup would be in moving forward with this. Ray Carpentino said they will try to work with the owner. A plan would be worked up and the owner would have to accept the price. The owner will determine whether this gets sold or not and the Town will determine what it would like to see there. Tom Beaudoin asked how long the owner has had this property for. Ray Carpentino said it has been ten years at least. Tom Beaudoin asked if the owner bought this after Ames went out and what he paid for it. Ray Carpentino said the owner did buy it after Ames went out and he probably paid \$2,000,000. The market assessment is \$5,500,000. Robert Britt confirmed that the demolition costs would be \$1,000,000. Ray Carpentino said yes or these would be \$1,500,000 and this was back in 2008. Tom Beaudoin confirmed that there are no abatement issues there. Ray Carpentino said this isn't listed as a brownfield site. The Town try to get it listed as that but it doesn't qualify. They would have access to federal money if it was one.

Chairman Don Francis asked if there was anything else on Ames. Ray Carpentino told them that he hopefully will have a better update on this property for them for their next meeting. He said that maybe they can get the owner in to talk to him, the Town Manager and maybe Chairman Don Francis in a private setting to see what he thinks.

Vice Chairman James Ussery asked if the Town wanted to take this property under Eminent Domain at one time. Ray Carpentino said the Redevelopment Agency had developed a Redevelopment Plan in 2008. This was sent to the Planning and Zoning Commission which sent it back to them saying no. He explained that this can't be taken under Eminent Domain unless it is used for a municipal purpose. They would also have to escrow at least 125% of the value of the property anyway.

Chairman Don Francis said he and Ray Carpentino had put a meeting schedule together for the Redevelopment Agency for this year. Chairman Don Francis asked for a motion to accept this so that it is official. Ray Carpentino asked Chairman Don Francis to call for a motion to amend this evening's agenda so that this could be added to it.

Robert Britt made a motion to add the approval of the 2014 Meeting Schedule of the Redevelopment Agency to this meeting's agenda (Item 4.c.) and to approve this meeting schedule. The motion was seconded by Vice Chairman James Ussery and adopted by those present. (Patrick Dawson and Albert Levesque were absent).

c. Approval of 2014 Meeting Schedule

This was approved in the previous motion. (Please see the Second Attachment.)

5. DIRECTOR'S REPORT

Nothing else was mentioned at this time.

6. CORRESPONDENCE

There was no correspondence.

Vice Chairman James Ussery made a motion to adjourn the meeting at 7:37 p.m. The motion was seconded by Tom Beaudoin and adopted by those present. (Patrick Dawson and Albert Levesque were absent.)

Respectfully submitted,

Jo-Anne Booth
Recording Secretary